

HOUSE BILL 768

C5, L6

1lr0816

By: **Montgomery County Delegation**

Introduced and read first time: January 29, 2021

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 28, 2021

CHAPTER _____

1 AN ACT concerning

2 **Montgomery County – Community Choice Energy – Pilot Program**

3 **MC 17–21**

4 FOR the purpose of applying certain laws regarding net energy metering and community
5 solar generating systems to customers served by a community choice aggregator;
6 altering the circumstances under which counties and municipal corporations may
7 act as an aggregator; authorizing a community choice aggregator to act as an
8 electricity supplier for certain purposes without obtaining a certain license;
9 establishing a certain Community Choice Aggregator Pilot Program; providing for
10 the application of certain provisions of this Act; establishing a process by which,
11 beginning on a certain date, a county may form a community choice aggregator;
12 requiring a county to develop and give certain notice of a certain aggregation plan
13 under certain circumstances; providing for the contents of a certain aggregation plan;
14 prohibiting a county from excluding certain customers from the ability to participate
15 in certain aggregation activities under certain circumstances; establishing a process
16 under which certain customers shall be deemed to have given permission to a certain
17 county to act as the customers' community choice aggregator; providing that certain
18 customers may refuse to participate in certain aggregation activities under certain
19 circumstances; requiring a certain electricity supplier to give certain notice to a
20 community choice aggregator regarding the end of a certain contract term;
21 prohibiting a community choice aggregator from assessing certain new fees, taxes,
22 or charges in the aggregation charges or rates under certain circumstances;
23 authorizing a community choice aggregator to provide and promote energy efficiency
24 programs, in consultation with certain persons under certain circumstances;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



exempting a community choice aggregator from certain requirements relating to the licensing of electricity suppliers; authorizing a community choice aggregator to own a certain electric generating facility or electric storage facility for a certain purpose; requiring a community choice aggregator to submit a certain plan to the Public Service Commission for the use or disposition of a certain electric generating facility or electric storage facility under certain circumstances; authorizing a community choice aggregator to contract for service from an electric generating facility under certain circumstances; requiring a community choice aggregator to submit a certain plan to the Public Service Commission when contracting for service that exceeds a certain period; requiring any contract relating to the provision of electric service by a community choice aggregator to allow for or anticipate the adoption of a certain mechanism; requiring a county to give or provide for certain notices to certain persons and to the Commission under certain circumstances; providing for the contents of certain notices; requiring the Commission to notify a certain county as to its approval of the aggregation plan and certain proposed terms of service, rates, and categories of certain charges, fees, or other costs under certain circumstances; providing that a community choice aggregator may award contracts for competitive generation service supply only at certain times; authorizing the Commission to establish a schedule by which a community choice aggregator may transfer load from standard offer service to retail or wholesale contracts under an aggregation plan; providing that a certain county is deemed to have obtained certain customer authorization to retrieve certain data; requiring an electric company to provide certain data to a community choice aggregator; requiring the Commission to review certain fees, request formats, and the format of certain data provided to facilitate the intent of certain provisions of law; establishing a Community Choice Energy Workgroup; providing for the composition and staffing of the Workgroup; requiring the Workgroup to study and make recommendations regarding certain matters; requiring the Workgroup to submit an annual report to the Commission on the status of the community choice aggregator; requiring the Commission to report its findings to the Governor and the General Assembly at the conclusion of the pilot program; providing for the beginning and the termination of the pilot program; requiring the Commission to report to the General Assembly on the pilot program on or before a certain date; requiring the Commission to adopt certain regulations and establish certain procedures; authorizing the Commission to make a certain allocation under certain circumstances; requiring certain bills to contain a certain notice; requiring the Commission to consider certain factors; providing for the application of this Act; providing for the construction of certain provisions of this Act; defining certain terms; altering certain definitions; and generally relating to the ability of a county to aggregate demand for electricity within the county.

BY renumbering

Article – Public Utilities

Section 1–101(f) through (i) and (j) through (tt), respectively

to be Section 1–101(g) through (j) and (l) through (vv), respectively

Annotated Code of Maryland

(2020 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,
Article – Public Utilities
Section 1–101(a), 7–306(a)(1), (4), and (7) and (f)(1), and 7–306.2(d)(1) and (2)
Annotated Code of Maryland
(2020 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,
Article – Public Utilities
Section 1–101(b), 7–306(f)(5) and (h), 7–306.2(d)(3), 7–507(a), and 7–510(f)
Annotated Code of Maryland
(2020 Replacement Volume and 2020 Supplement)

BY adding to
Article – Public Utilities
Section 1–101(f) and (k), 7–306(h), and 7–510.3
Annotated Code of Maryland
(2020 Replacement Volume and 2020 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That Section(s) 1–101(f) through (i) and (j) through (tt), respectively, of Article – Public
Utilities of the Annotated Code of Maryland be renumbered to be Section(s) 1–101(g)
through (j) and (l) through (vv), respectively.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
as follows:

Article – Public Utilities

1–101.

(a) In this division the following words have the meanings indicated.

(b) (1) “Aggregator” means an entity or an individual that acts on behalf of a
customer to purchase electricity or gas.

(2) “Aggregator” does not include:

(i) an entity or individual that purchases electricity or gas **ONLY** for
its own use or for the use of its subsidiaries or affiliates;

(ii) a municipal electric utility or a municipal gas utility serving only
in its distribution territory; or

(iii) a combination of governmental units that purchases electricity
or gas for use by the governmental units.

(F) “COMMUNITY CHOICE AGGREGATOR” MEANS A COUNTY THAT SERVES

AS AN ELECTRIC AGGREGATOR FOR THE PURPOSE OF NEGOTIATING THE PURCHASE OF ELECTRIC GENERATION SERVICES FROM AN ELECTRICITY SUPPLIER LICENSED BY THE COMMISSION OR FROM AN ELECTRIC GENERATING OR STORAGE FACILITY, OR PROVIDING ELECTRICITY FROM AN ELECTRIC GENERATING FACILITY OWNED BY THE AGGREGATOR FOR RESIDENTIAL ELECTRIC CUSTOMERS, INCLUDING MASTER-METERED MULTIPLE OCCUPANCY RESIDENCES AND SMALL COMMERCIAL ELECTRIC CUSTOMERS, AS DEFINED IN § 7-510.3 OF THIS ARTICLE, THAT:

(1) ARE LOCATED WITHIN THE COUNTY, INCLUDING CUSTOMERS LOCATED WITHIN MUNICIPAL CORPORATIONS LOCATED IN THE COUNTY;

(2) HAVE NOT:

(I) SELECTED AN ELECTRICITY SUPPLIER OTHER THAN THE STANDARD OFFER SERVICE SUPPLIER; OR

(II) REFUSED TO PARTICIPATE IN THE AGGREGATION ACTIVITIES OF THE COUNTY; AND

(3) ARE NOT LOCATED IN THE SERVICE TERRITORY OF:

(I) A MUNICIPAL ELECTRIC UTILITY; OR

(II) AN ELECTRIC COOPERATIVE.

(K) "ELECTRIC STORAGE FACILITY" MEANS A FACILITY USED TO STORE:

(1) ELECTRICAL ENERGY; OR

(2) MECHANICAL, CHEMICAL, OR THERMAL ENERGY THAT WAS PREVIOUSLY ELECTRICAL ENERGY:

(I) FOR USE AS ELECTRICAL ENERGY AT A LATER TIME; OR

(II) IN A PROCESS THAT OFFSETS ELECTRICITY USE DURING PEAK DEMAND.

7-306.

(a) (1) In this section the following words have the meanings indicated.

(4) "Eligible customer-generator" means a customer that owns and operates, leases and operates, or contracts with a third party that owns and operates a biomass, micro combined heat and power, solar, fuel cell, wind, or closed conduit hydro electric generating facility that:

1 (i) is located on the customer's premises or contiguous property;

2 (ii) is interconnected and operated in parallel with an electric
3 company's transmission and distribution facilities; and

4 (iii) is intended primarily to offset all or part of the customer's own
5 electricity requirements.

6 (7) "Net energy metering" means measurement of the difference between
7 the electricity that is supplied by an electric company and the electricity that is generated
8 by an eligible customer-generator and fed back to the electric grid over the eligible
9 customer-generator's billing period.

10 (f) (1) The electric company shall calculate net energy metering in accordance
11 with this subsection.

12 (5) (i) An eligible customer-generator under paragraph (4) of this
13 subsection may accrue net excess generation for a period:

14 1. not to exceed 12 months; and

15 2. that ends with the billing cycle that is complete
16 immediately prior to the end of April of each year.

17 (ii) The electric company shall carry forward net excess generation
18 until:

19 1. the eligible customer-generator's consumption of
20 electricity from the grid eliminates the net excess generation; or

21 2. the accrual period under subparagraph (i) of this
22 paragraph expires.

23 (iii) 1. The dollar value of net excess generation shall be equal to
24 the generation or commodity portion of the rate that the eligible customer-generator would
25 have been charged by the electric company averaged over the previous 12-month period
26 ending with the billing cycle that is complete immediately prior to the end of April
27 multiplied by the number of kilowatt-hours of net excess generation.

28 2. For customers served by **A COMMUNITY CHOICE**
29 **AGGREGATOR OR** an electricity supplier, the dollar value of the net excess generation shall
30 be equal to the generation or commodity rate that the customer would have been charged
31 by the **COMMUNITY CHOICE AGGREGATOR OR** electricity supplier multiplied by the
32 number of kilowatt-hours of net excess generation.

33 **(H) AN ELIGIBLE CUSTOMER-GENERATOR PARTICIPATING IN NET ENERGY**

METERING MAY PARTICIPATE IN THE AGGREGATION ACTIVITIES OF A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.3 OF THIS TITLE.

[(h)] (I) On or before September 1 of each year, the Commission shall report to the General Assembly, in accordance with § 2-1257 of the State Government Article, on the status of the net metering program under this section, including:

(1) the amount of capacity of electric generating facilities owned and operated by eligible customer-generators in the State by type of energy resource;

(2) based on the need to encourage a diversification of the State's energy resource mix to ensure reliability, whether the rated generating capacity limit in subsection (d) of this section should be altered; and

(3) other pertinent information.

7-306.2.

(d) (1) (i) The Commission shall establish a pilot program for a Community Solar Energy Generating System Program.

(ii) The structure of the pilot program is as provided in this subsection.

(2) All rate classes may participate in the pilot program.

(3) Subscribers served by electric standard offer service, **COMMUNITY CHOICE AGGREGATORS**, and electricity suppliers may hold subscriptions to the same community solar energy generating system.

7-507.

(a) A person, other than an electric company providing standard offer service under § 7-510(c) of this subtitle **[or]**, a municipal electric utility serving customers solely in its distribution territory, **OR A COMMUNITY CHOICE AGGREGATOR UNDER § 7-510.3 OF THIS SUBTITLE**, may not engage in the business of an electricity supplier in the State unless the person holds a license issued by the Commission.

7-510.

(f) **[A] EXCEPT AS PROVIDED IN § 7-510.3 OF THIS SUBTITLE**, A county or municipal corporation may not act as an aggregator unless the Commission determines there is not sufficient competition within the boundaries of the county or municipal corporation.

7-510.3.

(A) IN THIS SECTION, "SMALL COMMERCIAL ELECTRIC CUSTOMER" MEANS A COMMERCIAL ELECTRIC CUSTOMER THAT HAS A PEAK ELECTRIC LOAD OF NOT MORE THAN 25 KILOWATTS.

(B) THIS SECTION APPLIES ONLY IN MONTGOMERY COUNTY.

(C) (1) THERE IS A COMMUNITY CHOICE AGGREGATION PILOT PROGRAM.

(2) BEGINNING ~~JANUARY~~ APRIL 1, 2023, A COUNTY MAY FORM A COMMUNITY CHOICE AGGREGATOR UNDER THIS SECTION.

(D) (1) AT LEAST 60 DAYS BEFORE INITIATING THE PROCESS TO FORM A COMMUNITY CHOICE AGGREGATOR, A COUNTY SHALL:

(I) DEVELOP AN AGGREGATION PLAN;

(II) GIVE WRITTEN NOTICE OF THE AGGREGATION PLAN TO EACH RESIDENTIAL AND SMALL COMMERCIAL ELECTRIC CUSTOMER IN THE COUNTY;

(III) PUBLISH A FAIR SUMMARY OF THE AGGREGATION PLAN IN AT LEAST ONE NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY;

(IV) IF THE COUNTY MAINTAINS A WEBSITE, PUBLISH THE FULL TEXT OF THE AGGREGATION PLAN ON THE WEBSITE; AND

(V) GIVE, FOR THE COMMISSION'S APPROVAL, WRITTEN NOTICE OF ITS INTENTION TO INITIATE A PROCESS TO FORM A COMMUNITY CHOICE AGGREGATOR.

(2) THE AGGREGATION PLAN SHALL:

(I) DETAIL THE PROCESSES RELATED TO PARTICIPATING IN THE AGGREGATION ACTIVITIES OF A COMMUNITY CHOICE AGGREGATOR;

(II) CONTAIN INFORMATION ON THE OPERATIONS, FUNDING, AND ORGANIZATIONAL STRUCTURE OF THE COMMUNITY CHOICE AGGREGATOR;

(III) PROVIDE DETAILS ON:

1. THE RATE SETTING AND COSTS TO PARTICIPANTS, INCLUDING AN ANALYSIS OF HISTORICAL AND FORECASTED TRENDS IN

1 ELECTRICITY PRICES AND A PURCHASING PLAN DESIGNED TO SAVE RATEPAYERS
2 MONEY;

3 2. METHODS THAT THE COMMUNITY CHOICE
4 AGGREGATOR MUST USE FOR ENTERING INTO AND TERMINATING AGREEMENTS
5 WITH OTHER ENTITIES;

6 3. THE RIGHTS AND RESPONSIBILITIES OF
7 PARTICIPATING ELECTRIC CUSTOMERS; AND

8 4. THE TERMINATION OF THE AGGREGATION PROGRAM,
9 IF ANY; AND

10 (IV) PROVIDE FOR UNIVERSAL ELECTRICITY ACCESS,
11 RELIABILITY, AND EQUITABLE TREATMENT OF ALL RESIDENTIAL AND SMALL
12 COMMERCIAL ELECTRIC CUSTOMERS IN THE COUNTY.

13 (E) (1) AT LEAST 60 DAYS AFTER DEVELOPING AN AGGREGATION PLAN
14 AND GIVING THE NOTICE REQUIRED UNDER SUBSECTION (D) OF THIS SECTION, A
15 COUNTY MAY INITIATE THE PROCESS OF FORMING A COMMUNITY CHOICE
16 AGGREGATOR BY FILING WITH THE COMMISSION:

17 (I) A NOTICE OF INTENT TO FORM A COMMUNITY CHOICE
18 AGGREGATOR;

19 (II) A COPY OF THE AGGREGATION PLAN DEVELOPED IN
20 ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION;

21 (III) A DRAFT LOCAL LAW FORMING A COMMUNITY CHOICE
22 AGGREGATOR; AND

23 (IV) PROPOSED TERMS OF SERVICE, RATES, AND CATEGORIES
24 OF CHARGES, FEES, OR ANY OTHER COSTS TO CUSTOMERS UNRELATED TO THE
25 ACTUAL COST OF THE ELECTRICITY SUPPLY.

26 (2) THE NOTICE OF INTENT SHALL INCLUDE THE NAME OF THE
27 COUNTY IN THE COMMUNITY CHOICE AGGREGATOR.

28 (3) A COUNTY IS A COMMUNITY CHOICE AGGREGATOR AFTER:

29 (I) SUBMITTING THE NOTICE OF INTENT AND AGGREGATION
30 PLAN REQUIRED UNDER THIS SUBSECTION;

31 (II) THE COMMISSION HAS APPROVED ITS AGGREGATION PLAN

1 AND PROPOSED TERMS FILED IN ACCORDANCE WITH PARAGRAPH (1)(IV) OF THIS
2 SUBSECTION; AND

3 (III) ENACTING A LOCAL LAW THAT PROVIDES THAT THE COUNTY
4 SHALL ACT AS A COMMUNITY CHOICE AGGREGATOR.

5 (F) (1) IN ACCORDANCE WITH A SCHEDULE ESTABLISHED BY THE
6 COMMISSION UNDER SUBSECTION (L) OF THIS SECTION, IF A COUNTY ENACTS A
7 LOCAL LAW TO ACT AS A COMMUNITY CHOICE AGGREGATOR, THE COUNTY SHALL
8 PROVIDE OR CAUSE ITS SELECTED ELECTRICITY SUPPLIER, IF ANY, TO PROVIDE
9 WRITTEN NOTICE OF THE FORMATION OF THE COMMUNITY CHOICE AGGREGATOR
10 TO ALL RESIDENTIAL AND SMALL COMMERCIAL ELECTRIC CUSTOMERS IN THE
11 COUNTY.

12 (2) THE NOTICE REQUIRED UNDER THIS SUBSECTION SHALL
13 INCLUDE:

14 (I) THE IDENTITY AND COMMISSION-ISSUED LICENSE
15 NUMBERS OF ANY SELECTED ELECTRICITY SUPPLIER;

16 (II) TERMS AND CONDITIONS OF SERVICE;

17 (III) NEW RATES, CHARGES, AND FEES FOR SERVICE UNDER THE
18 COMMUNITY CHOICE AGGREGATOR;

19 (IV) A COMPARISON OF THE NEW RATES AND THE RATES UNDER
20 THE CURRENT STANDARD OFFER SERVICE;

21 (V) INFORMATION ON HOW TO ACCESS THE STANDARD OFFER
22 SERVICE AVAILABLE FROM AN ELECTRIC COMPANY; AND

23 (VI) THE TOTAL RENEWABLE COMPONENT OF THE ELECTRICITY
24 TO BE SUPPLIED THROUGH A COMMUNITY CHOICE AGGREGATOR, INCLUDING THE
25 SPECIFIC SOURCES OF ANY RENEWABLE ENERGY COMPARED TO THE
26 REQUIREMENTS UNDER CURRENT LAW, IF ANY.

27 (3) IN THE NOTICE REQUIRED UNDER THIS SUBSECTION, THE
28 COUNTY SHALL PROVIDE TO THE RESIDENTIAL AND SMALL COMMERCIAL ELECTRIC
29 CUSTOMERS IN THE COUNTY THE OPPORTUNITY TO REFUSE TO PARTICIPATE IN THE
30 AGGREGATION ACTIVITIES OF THE COMMUNITY CHOICE AGGREGATOR:

31 (I) BY RETURN SUBMISSION OF THE NOTICE TO THE
32 COMMUNITY CHOICE AGGREGATOR OR THE ELECTRIC COMPANY INDICATING THE
33 CUSTOMER'S DECISION TO REFUSE TO PARTICIPATE IN THE AGGREGATION

1 ACTIVITIES OF THE COMMUNITY CHOICE AGGREGATOR; OR

2 (II) BY CONTRACTING FOR SERVICE WITH A RETAIL
3 ELECTRICITY SUPPLIER OR BY CHOOSING STANDARD OFFER SERVICE FROM AN
4 ELECTRIC COMPANY.

5 (4) A COUNTY THAT ENACTS A LOCAL LAW TO ACT AS A COMMUNITY
6 CHOICE AGGREGATOR UNDER THIS SECTION MAY NOT EXCLUDE FROM THE ABILITY
7 TO PARTICIPATE IN THE AGGREGATION ACTIVITIES OF THE COMMUNITY CHOICE
8 AGGREGATOR:

9 (I) ANY RESIDENTIAL OR SMALL COMMERCIAL ELECTRIC
10 CUSTOMER IN THE COUNTY; OR

11 (II) FOR THE PROVISION OF ELECTRIC SERVICE FOR FACILITIES
12 LOCATED WITHIN THE JURISDICTION OF THE COMMUNITY CHOICE AGGREGATOR,
13 ANY GOVERNMENTAL ENTITY.

14 (G) A RESIDENTIAL OR SMALL COMMERCIAL ELECTRIC CUSTOMER IS
15 DEEMED TO HAVE GIVEN PERMISSION TO THE COUNTY TO ACT ON THE CUSTOMER'S
16 BEHALF AS A COMMUNITY CHOICE AGGREGATOR:

17 (1) WHEN THE COUNTY RECEIVES FROM THE CUSTOMER:

18 (I) A REPLY FROM THE NOTICE REQUIRED UNDER SUBSECTION
19 (F) OF THIS SECTION BY WHICH THE CUSTOMER EXPLICITLY GRANTS PERMISSION
20 FOR THE CUSTOMER TO RECEIVE SERVICE WITH THE COMMUNITY CHOICE
21 AGGREGATOR; OR

22 (II) AN APPLICATION TO RECEIVE SERVICE WITH THE
23 COMMUNITY CHOICE AGGREGATOR;

24 (2) IN THE CASE OF A CUSTOMER RECEIVING STANDARD OFFER
25 SERVICE, WITHIN 30 DAYS AFTER THE NOTICE REQUIRED BY SUBSECTION (F) OF
26 THIS SECTION IS GIVEN IF:

27 (I) THE COUNTY HAS NOT RECEIVED A RETURNED NOTICE BY
28 THAT DATE; OR

29 (II) AFTER THE CREATION OF THE COMMUNITY CHOICE
30 AGGREGATOR AND RECEIPT OF THE NOTICE, THE CUSTOMER HAS NOT CONTRACTED
31 WITH A RETAIL ELECTRICITY SUPPLIER OR CONTACTED AN ELECTRIC COMPANY TO
32 SELECT STANDARD OFFER SERVICES; OR

1 **(3) ON APPLYING FOR NEW ELECTRIC SERVICE WITHIN THE**
2 **TERRITORY SERVED BY THE COMMUNITY CHOICE AGGREGATOR, UNLESS THE**
3 **CUSTOMER HAS:**

4 **(I) CONTRACTED WITH A RETAIL ELECTRICITY SUPPLIER FOR**
5 **SERVICE; OR**

6 **(II) CONTACTED AN ELECTRIC COMPANY TO SELECT STANDARD**
7 **OFFER SERVICE.**

8 **(H) EXCEPT FOR A CONTRACT THAT AUTOMATICALLY RENEWS, AT THE END**
9 **OF A CONTRACT TERM WITH AN ELECTRICITY SUPPLIER A RESIDENTIAL OR SMALL**
10 **COMMERCIAL ELECTRIC CUSTOMER IN THE JURISDICTION OF A COMMUNITY**
11 **CHOICE AGGREGATOR SHALL BE AUTOMATICALLY ENROLLED AS A PARTICIPANT IN**
12 **THE AGGREGATION ACTIVITIES OF THE COMMUNITY CHOICE AGGREGATOR UNLESS**
13 **THE CUSTOMER:**

14 **(1) GIVES WRITTEN NOTICE TO THE COUNTY DECLINING TO**
15 **PARTICIPATE IN THE AGGREGATION ACTIVITIES OF THE COMMUNITY CHOICE**
16 **AGGREGATOR; OR**

17 **(2) CONTRACTS FOR SERVICE WITH A RETAIL ELECTRICITY SUPPLIER**
18 **OR CONTACTS AN ELECTRIC COMPANY TO SELECT STANDARD OFFER SERVICE.**

19 **(I) THIS SECTION MAY NOT BE CONSTRUED TO PREVENT A RESIDENTIAL OR**
20 **SMALL COMMERCIAL ELECTRIC CUSTOMER IN THE COUNTY FROM CHOOSING AT ANY**
21 **TIME:**

22 **(1) TO ENTER INTO A CONTRACT WITH AN ELECTRICITY SUPPLIER**
23 **OTHER THAN THE COMMUNITY CHOICE AGGREGATOR; OR**

24 **(2) THE STANDARD OFFER SERVICE OFFERED BY AN ELECTRIC**
25 **COMPANY.**

26 **(J) (1) A COMMUNITY CHOICE AGGREGATOR MAY NOT ASSESS ANY NEW**
27 **FEE, TAX, OR OTHER CHARGE IN THE AGGREGATION CHARGES OR RATES THAT IS**
28 **NOT RELATED TO THE COST OF:**

29 **(I) PROVIDING ELECTRICITY SUPPLY AND ELECTRICITY**
30 **SUPPLY SERVICE, INCLUDING SERVICE FROM A GENERATING STATION OWNED BY**
31 **THE COMMUNITY CHOICE AGGREGATOR;**

32 **(II) PROMOTING THE USE OF RENEWABLE ENERGY; AND**

(III) PROVIDING AND PROMOTING ENERGY EFFICIENCY PROGRAMS PROMOTED UNDER PARAGRAPHS (2) OR (3) OF THIS SUBSECTION.

(2) A COMMUNITY CHOICE AGGREGATOR, IN CONSULTATION WITH ALL INVESTOR-OWNED ELECTRIC COMPANIES WHOSE SERVICE TERRITORIES INCLUDE ALL OR PART OF THE COUNTY AND THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, MAY PROMOTE ENERGY EFFICIENCY PROGRAMS THAT ARE:

(I) OFFERED BY THE INVESTOR-OWNED ELECTRIC COMPANIES; OR

(II) FILED BY THE INVESTOR-OWNED ELECTRIC COMPANIES WITH THE COMMISSION FOR ITS APPROVAL IN ACCORDANCE WITH § 7-211 OF THIS TITLE.

(3) IN ADDITION TO THE AUTHORITY GRANTED UNDER PARAGRAPH (2) OF THIS SUBSECTION, A COMMUNITY CHOICE AGGREGATOR MAY PROVIDE AND PROMOTE ENERGY EFFICIENCY PROGRAMS THAT ARE SUPPLEMENTAL TO ANY PROGRAMS THAT ARE PROMOTED UNDER PARAGRAPH (2) OF THIS SUBSECTION.

(K) (1) EXCEPT FOR THE PURPOSES OF MEETING THE REQUIREMENTS OF THE RENEWABLE ENERGY PORTFOLIO STANDARD UNDER SUBTITLE 7 OF THIS TITLE, A COMMUNITY CHOICE AGGREGATOR MAY NOT BE CONSIDERED TO BE AN ELECTRICITY SUPPLIER UNDER § 7-507(A) OF THIS SUBTITLE.

(2) (I) A COMMUNITY CHOICE AGGREGATOR MAY OWN AN ELECTRIC GENERATING FACILITY OR AN ELECTRIC STORAGE FACILITY IN ACCORDANCE WITH THIS ARTICLE IF THE FACILITY IS DESIGNED TO PROVIDE ENERGY PRIMARILY FOR USE BY THE PARTICIPANTS OF THE COMMUNITY CHOICE AGGREGATOR.

(II) WHEN A COMMUNITY CHOICE AGGREGATOR BUILDS OR ACQUIRES AN ELECTRIC GENERATING FACILITY OR ELECTRIC STORAGE FACILITY, THE COMMUNITY CHOICE AGGREGATOR SHALL SUBMIT TO THE COMMISSION A PLAN FOR THE USE OR DISPOSITION OF THE FACILITY IF THE COMMUNITY CHOICE AGGREGATOR IS DISSOLVED.

(3) (I) A COMMUNITY CHOICE AGGREGATOR MAY CONTRACT FOR SERVICE FROM AN ELECTRIC GENERATING FACILITY IN ACCORDANCE WITH THIS ARTICLE IF THE AMOUNT OF CONTRACTED ELECTRICITY SUPPLY FROM THE FACILITY IS NOT GREATER THAN THE AMOUNT ESTIMATED TO BE NECESSARY TO MEET THE ELECTRICAL DEMAND OF THE PARTICIPANTS OF THE COMMUNITY CHOICE AGGREGATOR.

(II) WHEN A COMMUNITY CHOICE AGGREGATOR CONTRACTS FOR SERVICE FROM AN ELECTRIC GENERATING FACILITY FOR A PERIOD EXCEEDING 2 YEARS, THE COMMUNITY CHOICE AGGREGATOR SHALL SUBMIT TO THE COMMISSION A PLAN FOR THE TRANSFER OF THE CONTRACT TO ANOTHER ELECTRICITY SUPPLIER IF:

1. THE COMMUNITY CHOICE AGGREGATOR IS DISSOLVED; OR

2. THE PILOT PROGRAM ENDS WITHOUT AN EXTENSION OR THE CREATION OF A PERMANENT COMMUNITY CHOICE AGGREGATOR.

(4) ANY CONTRACT RELATING TO THE PROVISION OF ELECTRIC SERVICE BY A COMMUNITY CHOICE AGGREGATOR, INCLUDING ANY CONTRACT FOR THE SUPPLY OF ELECTRICITY OR THE PROCUREMENT OR FINANCING OF ELECTRIC GENERATION SERVICES SHALL ALLOW FOR OR ANTICIPATE THE POTENTIAL ADOPTION OF AN ALTERNATIVE RESOURCE ADEQUACY MECHANISM THAT COULD APPLY IN THE STATE.

(L) (1) BASED ON A DETERMINATION OF THE MITIGATION OF VOLUMETRIC RISK, THE COMMISSION MAY ESTABLISH BY ORDER OR REGULATION A SCHEDULE THAT MAY NOT EXCEED A PERIOD OF 2 YEARS, BY WHICH A COMMUNITY CHOICE AGGREGATOR MAY TRANSFER LOAD FROM STANDARD OFFER SERVICE TO RETAIL OR WHOLESALE CONTRACTS UNDER AN AGGREGATION PLAN.

(2) THE COMMISSION SHALL CONSIDER THE IMPACTS TO THE PRICE AND STABILITY OF THE PROCUREMENT OF STANDARD OFFER SERVICE WHEN CONSIDERING A SCHEDULE UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(M) (1) A COUNTY THAT IS FORMING A COMMUNITY CHOICE AGGREGATOR IS DEEMED TO HAVE OBTAINED ELECTRIC CUSTOMER AUTHORIZATION TO RETRIEVE PREENROLLMENT USAGE DATA FOR RESIDENTIAL AND SMALL COMMERCIAL ELECTRIC CUSTOMERS IN THE COUNTY.

(2) IN ACCORDANCE WITH PROCEDURES ESTABLISHED BY THE COMMISSION, AN ELECTRIC COMPANY SHALL PROVIDE TO A COMMUNITY CHOICE AGGREGATOR ANY RELEVANT DATA FOR CUSTOMERS IN THE JURISDICTION OF THE COMMUNITY CHOICE AGGREGATOR, INCLUDING:

(I) PREENROLLMENT USAGE DATA; AND

(II) ANY OTHER APPROPRIATE BILLING AND ELECTRICAL LOAD DATA.

1 **(3) AN ELECTRIC COMPANY SHALL PROVIDE TO A COUNTY THAT IS**
2 **FORMING A COMMUNITY CHOICE AGGREGATOR DATA UNDER THIS SUBSECTION AS**
3 **FOLLOWS:**

4 **(I) ONLY AGGREGATE DATA WHEN THE COUNTY INITIATES THE**
5 **PROCESS OF FORMING A COMMUNITY CHOICE AGGREGATOR; AND**

6 **(II) ANY CUSTOMER-SPECIFIC DATA AFTER THE AGGREGATION**
7 **PLAN IS APPROVED BY THE COMMISSION.**

8 **(N) THE COMMISSION SHALL REVIEW APPLICABLE FEES, REQUEST**
9 **FORMATS, AND THE FORMAT OF DATA PROVIDED TO FACILITATE THE INTENT OF**
10 **THIS SECTION.**

11 **(O) THE COMMISSION SHALL ESTABLISH PROCEDURES FOR AN ELECTRIC**
12 **CUSTOMER THAT IS RECEIVING ELECTRICITY SUPPLY THROUGH A COMMUNITY**
13 **CHOICE AGGREGATOR TO RECEIVE ANY BILL ASSISTANCE CREDIT OR ARREARAGE**
14 **ASSISTANCE TO WHICH THE CUSTOMER MAY BE ENTITLED UNDER §**
15 **7-512.1 OF THIS SUBTITLE OR ANY OTHER FEDERAL OR STATE BILL AND**
16 **ARREARAGE ASSISTANCE ADMINISTERED BY THE OFFICE OF HOME ENERGY**
17 **PROGRAMS.**

18 **(P) THE COMMISSION MAY ALLOCATE THE PORTION OF DELINQUENT**
19 **ACCOUNTS RECEIVABLE THAT IS ATTRIBUTABLE TO ELECTRICITY SUPPLY BETWEEN**
20 **THE ELECTRIC CUSTOMERS PARTICIPATING IN THE AGGREGATION ACTIVITIES OF A**
21 **COMMUNITY CHOICE AGGREGATOR AND THE ELECTRIC CUSTOMERS THROUGHOUT**
22 **THE ELECTRIC COMPANY'S SERVICE TERRITORY IF THE COMMISSION DETERMINES**
23 **THAT:**

24 **(1) THE AMOUNT OF DELINQUENT ACCOUNTS RECEIVABLE**
25 **ATTRIBUTABLE TO ELECTRIC CUSTOMERS RECEIVING STANDARD OFFER SERVICE IS**
26 **PROJECTED TO INCREASE TO AN EXTENT THAT WILL MATERIALLY ADVERSELY**
27 **IMPACT THE COST OF PROVIDING STANDARD OFFER SERVICE; AND**

28 **(2) THE PROJECTED INCREASE IN THE AMOUNT OF DELINQUENT**
29 **ACCOUNTS RECEIVABLE ATTRIBUTABLE TO ELECTRIC CUSTOMERS RECEIVING**
30 **STANDARD OFFER SERVICE IS DIRECTLY OR INDIRECTLY CAUSED BY THE**
31 **MIGRATION OF A SUBSTANTIAL NUMBER OF ELECTRIC CUSTOMERS FROM**
32 **STANDARD OFFER SERVICE TO PARTICIPATION IN THE AGGREGATION ACTIVITIES**
33 **OF A COMMUNITY CHOICE AGGREGATOR.**

34 **(Q) BILLS SENT TO ELECTRIC CUSTOMERS THAT PARTICIPATE IN THE**
35 **AGGREGATION ACTIVITIES OF A COMMUNITY CHOICE AGGREGATOR SHALL**

1 IDENTIFY THE COMMUNITY CHOICE AGGREGATOR AS THE ELECTRICITY SUPPLIER.

2 (R) (1) IN THIS SUBSECTION, "WORKGROUP" MEANS THE COMMUNITY
3 CHOICE ENERGY WORKGROUP ESTABLISHED IN ACCORDANCE WITH THIS
4 SUBSECTION.

5 (2) ON OR BEFORE ~~JULY~~ SEPTEMBER 1, 2021, THE COMMISSION
6 SHALL ESTABLISH A COMMUNITY CHOICE ENERGY WORKGROUP.

7 (3) THE WORKGROUP SHALL CONSIST OF AT LEAST THE FOLLOWING
8 MEMBERS:

9 (I) ONE REPRESENTATIVE OF THE MONTGOMERY COUNTY
10 GOVERNMENT;

11 (II) ONE REPRESENTATIVE OF THE OFFICE OF PEOPLE'S
12 COUNSEL;

13 (III) ONE REPRESENTATIVE OF EACH INVESTOR-OWNED
14 ELECTRIC COMPANY WHOSE SERVICE TERRITORY INCLUDES ALL OR PART OF A
15 COUNTY THAT PARTICIPATES IN THE PILOT PROGRAM;

16 (IV) ONE REPRESENTATIVE OF ANY COMPETITIVE ELECTRICITY
17 SUPPLIER;

18 (V) ONE REPRESENTATIVE OF RESIDENTIAL AND SMALL
19 COMMERCIAL ELECTRIC CUSTOMERS;

20 (VI) ONE REPRESENTATIVE OF LOW-INCOME COMMUNITIES;

21 (VII) ONE REPRESENTATIVE OF MINORITY RESIDENTIAL
22 COMMUNITIES;

23 (VIII) ONE REPRESENTATIVE WITH EXPERTISE IN IMPLEMENTING
24 COMMUNITY CHOICE AGGREGATION PROGRAMS; AND

25 (IX) ANY OTHER INDIVIDUALS IDENTIFIED BY THE COMMISSION.

26 (4) THE COMMISSION SHALL PROVIDE STAFF FOR THE WORKGROUP.

27 (5) NOTHING IN THIS SUBSECTION MAY BE CONSTRUED TO LIMIT THE
28 AUTHORITY OF THE COMMISSION TO TAKE ANY ACTION, INCLUDING THE ADOPTION
29 OF REGULATIONS, WITHOUT A RECOMMENDATION FROM THE WORKGROUP.

(6) (I) DURING ANY YEAR THAT A COMMUNITY CHOICE AGGREGATOR OPERATES IN THE STATE, THE WORKGROUP SHALL SUBMIT AN ANNUAL REPORT ON THE STATUS OF THE COMMUNITY CHOICE AGGREGATOR TO THE COMMISSION.

(II) THE WORKGROUP SHALL INCLUDE IN THE ANNUAL REPORT INFORMATION REGARDING:

1. RATES, CHARGES, AND FEES FOR SERVICE UNDER EACH COMMUNITY CHOICE AGGREGATOR;

2. RENEWABLE ENERGY;

3. CUSTOMER SATISFACTION;

4. ENROLLMENT; AND

5. ANY OTHER INFORMATION OR METRIC DETERMINED BY THE WORKGROUP OR REQUESTED BY THE COMMISSION.

(S) (1) THE COMMISSION SHALL BY REGULATION ESTABLISH STANDARDS AND PROCEDURES TO PROTECT THE CONSUMER RIGHTS OF RESIDENTIAL CUSTOMERS WITHIN THE TERRITORY OF A COMMUNITY CHOICE AGGREGATOR THAT RECEIVE ELECTRICITY SUPPLY THROUGH THE COMMUNITY CHOICE AGGREGATOR.

(2) THE REGULATIONS SHALL PROHIBIT DISCRIMINATION AGAINST A CUSTOMER ON THE BASIS OF THE LOCATION OF THE CUSTOMER.

(3) THE COMMISSION SHALL SEEK THE ADVICE AND RECOMMENDATION OF THE COMMUNITY CHOICE ENERGY WORKGROUP ESTABLISHED UNDER SUBSECTION (R) OF THIS SECTION WHEN CARRYING OUT THE PROVISIONS OF THIS SECTION AND ADOPTING REGULATIONS.

(T) (1) THE PILOT PROGRAM SHALL:

(I) BEGIN ON THE EARLIER OF:

1. THE DATE THAT A COUNTY GIVES NOTICE TO THE COMMISSION OF ITS INTENTION TO INITIATE A PROCESS TO FORM A COMMUNITY CHOICE AGGREGATOR, IN ACCORDANCE WITH SUBSECTION (D)(1)(V) OF THIS SECTION; OR

2. ~~JANUARY 1, 2024~~ JULY 1, 2023; AND

(II) END 7 YEARS AFTER THE BEGINNING DATE, BUT NOT SOONER THAN ~~DECEMBER 31, 2031~~ JUNE 30, 2030.

(2) ON OR BEFORE ~~DECEMBER 31~~ JUNE 30 OF THE SIXTH YEAR AFTER THE BEGINNING OF THE PILOT PROGRAM, THE COMMISSION SHALL, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, REPORT TO THE GENERAL ASSEMBLY ON THE STATUS AND EFFECTIVENESS OF THE PILOT PROGRAM.

(U) (1) AT THE CONCLUSION OF THE PILOT PROGRAM DESCRIBED IN THIS SECTION, THE COMMISSION SHALL STUDY:

(I) THE OVERALL COSTS AND BENEFITS OF THE PILOT PROGRAM;

(II) WHETHER THERE WERE ANY INCREMENTAL COSTS BORNE BY STANDARD OFFER SERVICE CUSTOMERS RESULTING FROM THE MIGRATION OF CUSTOMERS BETWEEN THE COMMUNITY CHOICE AGGREGATOR AND STANDARD OFFER SERVICE; AND

(III) WHAT MECHANISMS COULD BE IMPLEMENTED TO HOLD STANDARD OFFER SERVICE CUSTOMERS HARMLESS FROM ANY INCREMENTAL COSTS BORNE BY STANDARD OFFER SERVICE CUSTOMERS IDENTIFIED UNDER ITEM (II) OF THIS PARAGRAPH.

(2) THE COMMISSION SHALL SEEK THE ADVICE AND RECOMMENDATION OF THE COMMUNITY CHOICE ENERGY WORKGROUP IN THE STUDY REQUIRED UNDER THIS SUBSECTION.

(3) ON OR BEFORE DECEMBER 31, 2031, THE COMMISSION SHALL REPORT THE FINDINGS OF THE STUDY TO THE GOVERNOR AND THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE.

(V) ON OR BEFORE ~~OCTOBER 1, 2022~~ APRIL 1, 2023, THE COMMISSION SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION, INCLUDING REGULATIONS FOR:

(1) CONSUMER PROTECTION;

(2) PROCEDURES TO CONSIDER AND REVIEW THE ANALYSIS OF HISTORICAL AND FORECASTED TRENDS IN ELECTRICITY PRICES AND A PURCHASING PLAN DESIGNED TO SAVE RATEPAYERS MONEY, SUBMITTED BY COUNTY;

1 **(3) A TARIFF STRUCTURE FOR COMMUNITY CHOICE AGGREGATION**
2 **NONCOMMODITY FEES AND CHARGES;**

3 **(4) A PROTOCOL FOR DATA EXCHANGE BETWEEN COMMUNITY**
4 **CHOICE AGGREGATORS, RETAIL SUPPLIERS, AND ELECTRIC COMPANIES,**
5 **INCLUDING PROHIBITIONS ON THE COMMUNITY CHOICE AGGREGATOR FROM**
6 **SHARING, DISCLOSING, OR OTHERWISE MAKING ACCESSIBLE TO A THIRD PARTY A**
7 **CUSTOMER'S PERSONAL INFORMATION;**

8 **(5) PROCEDURES BY WHICH A COMMUNITY CHOICE AGGREGATOR**
9 **MAY TRANSFER LOAD FROM STANDARD OFFER SERVICE TO RETAIL OR WHOLESALE**
10 **CONTRACTS UNDER AN AGGREGATION PLAN;**

11 **(6) THE METHOD BY WHICH THE COST OF DELINQUENT ACCOUNTS OF**
12 **A COMMUNITY CHOICE AGGREGATOR MAY BE RECOVERED FROM CUSTOMERS;**

13 **(7) PROCEDURES FOR ENROLLING A CUSTOMER FOR SERVICE WITH A**
14 **COMMUNITY CHOICE AGGREGATOR ON EXPIRATION OF THE CUSTOMER'S RETAIL**
15 **SUPPLY CONTRACT;**

16 **(8) PROCEDURES TO PROTECT CUSTOMER'S PRIVACY AND**
17 **CONFIDENTIAL DATA COLLECTED OR HELD BY A COMMUNITY CHOICE AGGREGATOR;**

18 **(9) PROCEDURES TO MITIGATE ANY RISK TO STANDARD OFFER**
19 **SERVICE CUSTOMERS CAUSED BY THE POTENTIAL FOR CUSTOMERS TO MIGRATE**
20 **FROM A COMMUNITY CHOICE AGGREGATOR TO STANDARD OFFER SERVICE;**

21 **(10) PROCEDURES BY WHICH A COMMUNITY CHOICE AGGREGATOR**
22 **MAY BE DISSOLVED, INCLUDING PROCEDURES FOR THE TRANSFER OF CUSTOMERS**
23 **TO STANDARD OFFER SERVICE AND THE RESALE OF CONTRACTED ELECTRICITY**
24 **SUPPLY;**

25 **(11) THE APPROVAL OF A TARIFF STRUCTURE FOR COMMUNITY**
26 **CHOICE AGGREGATOR INTERACTIONS WITH ELECTRIC COMPANIES, INCLUDING:**

27 **(I) BILLING AND PAYMENT COLLECTION;**

28 **(II) DISPUTE RESOLUTION;**

29 **(III) FINANCIAL SETTLEMENT;**

30 **(IV) LOSSES;**

31 **(V) METERING SERVICES;**

1 **(VI) PJM INTERCONNECTION REQUIREMENTS;**

2 **(VII) SCHEDULING; AND**

3 **(VIII) UTILITY CHARGES;**

4 **(12) PROCEDURES TO REQUIRE THAT:**

5 **(I) A COMMUNITY CHOICE AGGREGATOR THAT TRANSFERS ALL**
6 **CUSTOMERS BACK TO STANDARD OFFER SERVICE IS CONSIDERED TO BE DISSOLVED;**
7 **AND**

8 **(II) IF A COMMUNITY CHOICE AGGREGATOR IS CONSIDERED TO**
9 **BE DISSOLVED, IT MAY NOT BE REFORMED EXCEPT THROUGH THE PROCESS OF**
10 **FORMING A NEW COMMUNITY CHOICE AGGREGATOR IN ACCORDANCE WITH THIS**
11 **SECTION.**

12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
13 1, 2021.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.